

TO: Honorable Mayor and City Council

FROM: City Administrator Ron Johnson

SUBJECT: Adopt Resolution of Support for Byllesby Dam Funding

DATE: April 27, 2017

BACKGROUND

The Dakota County Board of Commissioners is requesting City Council support of their initiative to secure state funding for improvements to the Byllesby Dam. An email from Dakota County Commissioner Mike Slavik, states the following:

"As you know, the Dam is located upstream from your city, and we are committed to keeping Cannon Falls residents safe. In recent years we have invested approximately \$6 million of Dakota County taxpayer funds as part of a \$12 million safety upgrade to the Dam. We plan to repay County taxpayers with revenue collected from the sale of electricity produced by the Dam, but the three existing hydroelectric turbines are over 107 years old and are near the end of their operational lives. Replacing the turbines will provide needed revenues to maintain the Dam. Our analyses have shown it is not cost effective to make the investment with County funds alone.

This year we are asking the State Legislature for \$7.5 million in bond funding for the Dam to replace the turbines and upgrade the powerhouse. The total cost for the project is \$15 million. This will allow the Dam to continue to produce clean energy for years to come, offsetting the burden on County taxpayers to maintain this regional asset and its recreational and flood control benefits. We are asking for your support for this bonding request.

Attached is a draft resolution of support for \$7.5 million in State bond funding to replace turbines and upgrade the powerhouse of the Byllesby Dam. We would appreciate if you and your Council would consider adoption; your support will mean so much as we continue to advocate for our request at the Legislature."

REQUESTED COUNCIL ACTION

Approve a motion adopting the Resolution of Support.

Attachment(s): Resolution

**CITY OF CANNON FALLS
GOODHUE COUNTY, MINNESOTA**

RESOLUTION NUMBER 2276

SUPPORT FOR BYLLESBY DAM FUNDING

WHEREAS, the Byllesby Dam (Dam) is a hydroelectric dam located on the border of Dakota and Goodhue Counties and owned and maintained entirely by Dakota County; and

WHEREAS, the Dam's watershed covers nine counties and nine legislative districts; and

WHEREAS, the City of Cannon Falls lies downstream from the Byllesby Dam and relies on the Dam's effective flood control; and

WHEREAS, Dakota County has invested approximately \$6 million in local taxpayer funds to keep the Dam safe; and

WHEREAS, Dakota County relies on revenue from hydroelectricity produced by the Dam to offset the burden on local taxpayers; and

WHEREAS, the Dam's turbines that produce the hydroelectricity are at the end of their operational lives; and

WHEREAS, Dakota County has asked the Minnesota State Legislature for \$7.5 million in bond funding to help replace the Dam's turbines and upgrade its powerhouse; and

WHEREAS, a turbine and powerhouse upgrade will allow the Dam to continue to produce clean, renewable energy for years to come and will offset the continued cost of keeping the Dam safe for the residents of Cannon Falls.

NOW, THEREFORE, BE IT RESOLVED, that the City of Cannon Falls supports Dakota County's request for \$7.5 million in bond funding for improvements to the Byllesby Dam.

Adopted this 2nd day of May, 2017.

SIGNED:

Lyman M. Robinson, Mayor

ATTEST: _____
Ronald S. Johnson, City Administrator